

Master Settlement Agreement

DESCRIPTION OF MAJOR SERVICES

This budget unit accounts for proceeds received from the tobacco lawsuit Master Settlement Agreement (MSA). In late 1998 a settlement was reached in a lawsuit filed by states against the tobacco industry. In California the proceeds of the settlement are to be divided equally between the state and local governments who partnered in the lawsuit. Payments to local governments are based on a formula involving total tobacco sales and each local entity's population.

A majority of the county's total proceeds are used each year to finance a portion of the Medical Center debt.

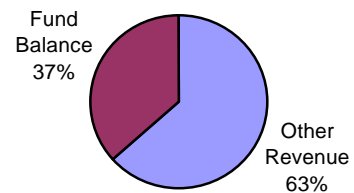
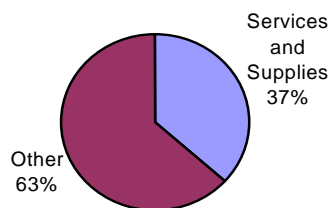
There is no staffing associated with this budget unit.

BUDGET AND WORKLOAD HISTORY

	Actual 2002-03	Budget 2003-04	Estimate 2003-04	Proposed 2004-05
Total Requirements	18,386,633	27,886,223	17,733,000	29,418,272
Departmental Revenue	21,882,027	17,876,000	18,544,614	18,596,435
Fund Balance		10,010,223		10,821,837

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriations in this budget unit are less than budgeted. The amount not expended is carried over to the subsequent year's budget.

2004-05 BREAKDOWN BY EXPENDITURE AUTHORITY 2004-05 BREAKDOWN BY FINANCING SOURCE



GROUP: Administrative/Executive
 DEPARTMENT: Master Settlement Agreement
 FUND: Tobacco Settlement Agreement

BUDGET UNIT: RSM MSA
 FUNCTION: General
 ACTIVITY: Finance

ANALYSIS OF 2004-05 BUDGET

	A	B	C	D	E	B+C+D+E F	G	F+G H
	2003-04 Year-End Estimates	2003-04 Final Budget	Cost to Maintain Current Program Services (Schedule A)	Board Approved Adjustments (Schedule A)	Impacts Due to State Budget Cuts (Schedule B)	Board Approved Base Budget	Department Recommended Funded Adjustments (Schedule C)	2004-05 Proposed Budget
Appropriation								
Services and Supplies	-	9,661,775	-	-	-	9,661,775	1,123,497	10,785,272
Contingencies	-	491,448	-	-	-	491,448	(491,448)	-
Total Appropriation	-	10,153,223	-	-	-	10,153,223	632,049	10,785,272
Operating Trans Out	17,733,000	17,733,000	-	-	-	17,733,000	900,000	18,633,000
Total Requirements	17,733,000	27,886,223	-	-	-	27,886,223	1,532,049	29,418,272
Departmental Revenue								
Use Of Money & Prop	222,600	360,000	-	-	-	360,000	(140,000)	220,000
Other Revenue	18,322,014	17,516,000	-	-	-	17,516,000	860,435	18,376,435
Total Revenue	18,544,614	17,876,000	-	-	-	17,876,000	720,435	18,596,435
Fund Balance		10,010,223	-	-	-	10,010,223	811,614	10,821,837

SCHEDULE C

DEPARTMENT: Master Settlement Agreement
 FUND: Tobacco Settlement Agreement
 BUDGET UNIT: RSM MSA

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
1. Remove Contingency Budget As a result of final fund balance, contingencies were budgeted last fiscal year. These contingencies are not budgeted in the 2004-05 fiscal year to provide greater flexibility within this budget unit.	-	(491,448)	-	(491,448)
2. Increase in available one-time money One-time funds are increased in this budget unit due to increases in prior year revenues and expenditures being less than budgeted causing an increase in fund balance which must be budgeted.	-	1,123,497	-	1,123,497
3. Increase In Operating Transfers Out Increase financing to the General Fund by \$900,000, total financing \$3,633,000, to fund costs in the health related departments.	-	900,000	-	900,000
4. Reduce Budgeted Interest Income Amount budgeted was reduced for 2004-05 based on current interest apportionments.	-	-	(140,000)	140,000
5. Increase in Tobacco Settlement Proceeds Increase in projected annual payment for 2004-05 from Tobacco Settlement based on cigarette consumption projections as of October 2002.	-	-	860,435	(860,435)
Total	-	1,532,049	720,435	811,614

